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Georgia Public Service Commission

(404) 463-6526
(800) 282-5813

244 Washington Street, SW
Atlanta, GA 30334-5701

FAX: (404) 463-6532
psc.ga.gov

DOCKET# 37049
DOCUMENT# 216311

Docket No. 37049

City of Eatonton Gas System
P. O. Box 3820
Eatonton, GA 31024

REF: Review of Operator Response Inspection # AT23-003

☒ Certified Mail ☐ Regular Mail ☐ Email

Attention: Mr. Gary Sanders

On January 10, 2023, a representative of the Georgia Public Service Commission Pipeline Safety/Facilities Protection Office conducted an on-site inspection of your gas system and found that previously identified probable violation(s) of the Pipeline Safety Regulations have either been cleared or are continuing, as identified below.

- ☒ Previously existing probable violation(s) has/have been cleared.
- ☒ Previously existing probable violation(s) still exist.
- ☒ Additional Enforcement
  - ☐ Notice of Proposed Violation
  - ☒ Notice of Proposed Violation with Proposed Civil Penalty
  - ☐ Warning Letter
  - ☐ Letter of Concern
  - ☐ Observed Issue
- ☐ Consent Agreement Pending

The enclosed inspection report numbered AT23-003 is provided for your information and file.

Please review and respond to this report in accordance with the attached Instructions for Responding to Enforcement Actions, Enforcement Letters, and Notifications Issued by the Georgia Public Service Commission. Please refer to Docket No. 37049 in your response.

Please let me know if there are any questions concerning this report at (404) 985-4271 or mthebert@psc.ga.gov. Thank you for your continuing contribution toward increased pipeline safety.

Sincerely,

Michelle Thebert

Michelle L. Thebert
Director, Office of Pipeline Safety/Facilities Protection

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REPORT OF NATURAL GAS SAFETY

INSPECTION NO: AT23-003

OPERATOR: City of Eatonton Gas System

INVESTIGATOR: Alan Towe

INSPECTION DATE: January 10, 2023 REPORT MAILED DATE: November 6, 2023

Any questions concerning this report may be directed to the above address or by telephoning (404) 463-6526.

1. PURPOSE OF INSPECTION

To perform a review of the Operators response to Inspection Number AT21-025.

2. CONTINUING VIOLATIONS

Violation	Description	Inspection#	Date
192.181(a)	Each high-pressure distribution system must have valves spaced so as to reduce the time to...	AT21-025	9/20/2021

3. CLEARED VIOLATIONS

Cleared on 1/10/2023

Violation	Description	Inspection#	Date
192.605(a)	Each operator shall prepare and follow for each pipeline, a manual of written procedures for...	AT21-025	9/20/2021
192.181(b)	Each regulator station controlling the flow or pressure of gas in a distribution system must have...	AT21-025	9/20/2021

4. NEW VIOLATIONS

Violation	Description	Inspection#	Date
Consent Agreement Pending	Operator is negotiating Consent Agreement with the FPU Director	AT23-003	1/10/2023
515-9-3-.09	Response Options Open to the Operator	AT23-003	1/10/2023

5. OTHER RECOMMENDATIONS/COMMENTS

SEE ATTACHED INSPECTION REPORT

From January 10-11, 2023, Staff reviewed the City of Eatonton's Gas System's response letter which was submitted for Inspection Number AT21-025.

This review was conducted by Alan Towe, Pipeline Safety Inspector – Lead Inspector.

PROBABLE VIOLATIONS CLEARED

1. In regard to the noted deficiency for the Probable Violation of 49CFR, §192.605(a)/ 192.707(d)(1) which was cited in Inspection Number AT21-025; in that inspection Staff stated: "Operator failed to follow their procedures for installing and maintaining pipeline markers as required under Part 192.605(a)."

   OPERATOR RESPONSE: In their response to Inspection Number AT21-025, dated February 1, 2022, the City of Eatonton stated that: "This Probable Violation refers to signage at regulator stations. Eatonton has corrected these deficiencies by installed required signage."

   INSPECTOR REVIEW: Staff has reviewed the Operators response, documentation and pictures showing that they have installed pipeline markers with appropriate wording.

   Staff determined that this probable violation can be cleared at this time.

2. In regard to the noted deficiency for the Probable Violation of 49CFR, §192.605(a) / 192.615(c) which was cited in Inspection Number AT21-025; in that inspection Staff stated: "During this inspection Staff found that the Operator failed to establish and maintain liaison with public officials. Records reviewed by Staff indicated the Operator was able to demonstrate liaison had been performed with Jones and Putnam County emergency responders; however, no contact with public officials in these counties have been performed."

   Staff proposed a $5,000 civil penalty for this violation.

   OPERATOR RESPONSE: In their response to Inspection Number AT21-025, dated February 1, 2022, the City of Eatonton requested an informal conference with the Director for this item and stated that: "The City of Eatonton ("Eatonton") will a conduct liaison session(s) with all required parties by May 31, 2022; and will ensure that liaison is maintained in accordance with applicable requirements."

   INFORMAL CONFERENCE: The Operator received an informal conference for this item on January 12, 2023. (Ref: Inspection Number AT23-004).

   INSPECTOR REVIEW: Staff has reviewed the Operators response, along with their liaison records documenting their liaison being performed with the police, fire, and public officials.

   Staff determined that this probable violation can be cleared at this time; however, the proposed civil penalty has not yet been addressed.

3. In regard to the noted deficiency for the Probable Violation of 49CFR, §192.605(a)/ 192.723(b)(2) which was cited in Inspection Number AT21-025; in that inspection Staff stated: "The Operator failed to perform leakage survey as required by §192.723 and their Operation and Maintenance procedures manual."

   Staff proposed a $5,000 civil penalty for this violation.

   OPERATOR RESPONSE: In their response to Inspection Number AT21-025, dated February 1, 2022, the City of Eatonton requested an informal conference with the Director and stated that: "Eatonton has a project underway to develop GIS mapping and modeling of its entire natural gas system with completion expected by the end of April 2022. Among other benefits, the GIS map will allow Eatonton to verify the mileage of mains in its gas system and to more accurately perform and document leakage surveys based on more reliable data. Upon completion of GIS mapping. Eatonton will be able to determine whether the discrepancy noted in this Probable Violation is due to an error in the miles of main on annual reports or if any mains have not been leakage surveyed."

   INFORMAL CONFERENCE: The Operator received an informal conference for this item on January 12, 2023. (Ref: Inspection Number AT23-004)

   INSPECTOR REVIEW: Staff has reviewed the Operators response, and was provided a copy of a check dated February 2, 2022, to Keck & Wood Engineering for payment towards Gas mapping and modeling.

   Staff determined that this probable violation can be cleared at this time; however, the proposed civil penalty has not yet been addressed.

4. In regard to the Probable Violation of 49CFR, §192.181(b) which was cited in Inspection Number AT21-025; in that inspection Staff stated: "The Operator failed to have a valve installed on the inlet piping at a distance from their regulator station that would permit the operation of the valve during an emergency that might preclude access to the station."

   OPERATOR RESPONSE: In their response to Inspection Number AT21-025, dated February 1, 2022, the City of Eatonton stated that: "By August 31, 2022, Eatonton will install inlet valves at the two regulator stations cited in this Probable Violation."

   INSPECTOR REVIEW: Staff has reviewed the Operators response, along with pictures taken indicating that the inlet valves at these stations have been installed.

   Staff determined that this probable violation can be cleared at this time

PROBABLE VIOLATION CONTINUING

In regard to the Probable Violation of 49CFR, §192.181(a) which was cited in Inspection Number AT21-025; in that inspection Staff stated: "Because the Operator could not demonstrate an actual process of how they determine where to install specific valves, Staff cannot determine if the Operator has complied with the requirements of §192.181(a), or if they can meet the requirements of §192.615(a)(6)."

OPERATOR RESPONSE: In their response to Inspection Number AT21-025, dated February 1, 2022, the City of Eatonton stated that: "Eatonton is aware that GPSC Staff is preparing a Notice of Proposed Rulemaking that will include requirements related to valve placement. Upon final approval of this Proposed Rule, the new requirements will be incorporated into Eatonton's manuals, plans, and procedures, as appropriate."

INSPECTOR REVIEW: Staff has reviewed the Operators response and found that this violation cannot be cleared at this time until we have reviewed their new procedure.

Staff determined that this violation was continuing.

NOTICE OF PROBABLE VIOLATION

COMMISSION RULE: 515-9-3-.09 - Response Options Open to the Operator

(1) Alternatives open to the operator to respond to the violation notice are:
   (a) submit a written statement to the Pipeline Safety Director indicating corrective measures have achieved compliance;
   (b) submit a written plan of action to the Pipeline Safety Director outlining the corrective measures that will be taken to achieve compliance and when compliance is anticipated; or
   (c) request an informal conference with the Pipeline Safety Director and/or his staff to discuss the violation(s).

STAFF COMMENTS: In Inspection Number AT21-025 Staff issued a Notice of Probable Violation "Because the Operator could not demonstrate an actual process of how they determine where to install specific valves, Staff cannot determine if the Operator has complied with the requirements of §191.181(a), or if they can meet the requirements of §192.615(a)(6)."

During the Supervisor review for this inspection (AT23-003) Staff determined that the Operators response, and subsequent failure to address this violation was not acceptable. The exit interview for Inspection Number AT21-025 was conducted on October 6, 2021, and the Operator was advised of this deficiency at that time. There is no evidence to indicate that the Operator has taken any action to address this item since they were first notified almost two years ago. Staff also notes that the Commission has not issued any formal notice of proposed rulemaking regarding revisions to its rules.

PROBABLE VIOLATION: The City of Eatonton failed to address the Notice of Probable Violation for their procedure for compliance with the requirements of §192.181(a), or to

demonstrate that they can comply with the requirements of §192.615(a)(6) as cited in Inspection Number AT21-025.

PROPOSED CIVIL PENALTY

Under Commission Rule 515-9-1.01, by virtue of the authority vested in the Commission by law and pursuant to orders issued by the Commission on May 4, 1967, July 6, 1967, April 23, 1968, and October 29, 1970, all Rules and Regulations prescribed by the United States Department of Transportation applicable to the "Transportation of Natural and Other Gas by Pipeline: Minimum Safety Standards" (C.F.R. 49, Parts 191 and 192) are by this Rule made the Rules and Regulations of the Georgia Public Service Commission for the safe installation and operation of all natural gas transmission and distribution facilities by companies subject to the jurisdiction of the Commission within this State.

Under Commission Rule 515-9-3-.08 (Written Formal Notice of Violation), the Commission may propose a civil penalty in conjunction with this notice of probable violation. Further, the City of Eatonton is subject to civil penalties under O.C.G.A. § 46-2-91 for violation of any Commission Order or Statute or Rule administered by the Commission. As provided by law, civil penalties can be assessed in the amount of $15,000.00 for the first day of each violation and $10,000.00 per violation/per day that each such violation continues.

Staff has reviewed the circumstances surrounding the City of Eatonton's failure to address the Notice of Amendment for §192.181(a) which was cited in Inspection Number AT21-025 and has recommended a civil penalty in the amount of $5,000.00 Please note that this recommended amount is less than the amount authorized by Georgia law.

Please review and respond to this report in accordance with the attached Instructions for Responding to Enforcement Letters Issued by the Georgia Public Service Commission.

OPERATOR RESPONSE FORM

Operator Name: City of Eatonton

Informal Conference Requested: Yes ☐ No ☐

Docket Number: 37049

Responses required within **30 days of electronic mail.** Provide the following information for this report:

Response to Inspection Number:_____

Type of Enforcement Action(s) cited in report:			Informal Conference Requested	
☐ Notice of Probable Violation (NOPV)	☐ New	☐Continuing	☐ Yes	☐ No
☐ Notice of Amendment (NOA)	☐ New	☐Continuing	☐ Yes	☐ No
☐ Warning Letter	☐ New	☐Continuing	☐ Yes	☐ No
☐ Letter of Concern	☐ New	☐Continuing	☐ Yes	☐ No
☐ Observed Issue	☐ New	☐Continuing	☐ Yes	☐ No
☐ Proposed Civil Penalty	$ _____ PCP $ Amount (Total for report)			

Indicate below (A-E) based on the type of Enforcement Actions in this report: (Check all that apply)
Complete a separate copy of Page 2, Operator Response to Enforcement Action, for each cited item.

A. Response for **Notice of Probable Violation** (with and without proposed civil penalty):
   1. ☐ Written statement indicating that corrective measures have achieved Compliance or
   2. ☐ Written plan of action outlining the corrective measures that will be taken to achieve compliance and when compliance is anticipated.

B. Response for **NOA**:
   1. ☐ Contested: Attach written explanation, information, or other material in answer to the allegations in the Notice of Amendment stating your reasons for objecting to the NOA, in whole or in part; or
   2. ☐ Not Contested: Explanation, information, or other material believed to warrant modification of the NOA in whole or in part; or
   3. ☐ Written request for clarification. (Attached)

C. Response for **Continuing** and/or **Existing** violations:
   Current status, updates, expected completion dates, proposed modifications, etc., of the continuing and/or existing violations, even if this information was previously provided. Referencing a previously filed response letter, as status, updates, etc. alone is not sufficient for this response. Failure to provide this information may result in formal interrogatories from the Director through data requests.

D. Response for ☐ **Letter of Concern** / ☐ **Warning Letter**
   I acknowledge receipt of the Letter of Concern/Warning Letter:_____
   SIGNATURE / TITLE

   Additional Comments: (Optional)_____

E. Response for **Observed Issue** and **No Violation**: (Optional Response)
   Staff requests that the Operator acknowledge receipt of the Observed Issue/No Violation in writing, or by submitting an email to the FPU Director

Operator Response to Enforcement Action

Enforcement Action for:_____ ☐ New Violation ☐ Continuing Violation
Enter Code / Commission Rule (Complete a separate attachment for each enforcement action)

Enforcement Action(s) cited in report:	Conference Requested:	
☐ Notice of Probable Violation (NOPV)	☐ Yes ☐ No	$_____ Proposed Penalty for this violation
☐ Notice of Amendment (NOA)	☐ Yes ☐ No	
☐ Warning Letter	☐ Yes ☐ No	
☐ Letter of Concern	☐ Yes ☐ No	
☐ Observed Issue	☐ Yes ☐ No	
☐ Proposed Civil Penalty	☐ Yes ☐ No	

OPERATORS RESPONSE: _____

Response Provided by: _____ Date:_____
Name / Title

Internal use only:

Lead Inspector: _____ Date Response Reviewed:_____

Actions Acceptable: ☐ Yes ☐No Re-inspection Needed:☐ Yes ☐ No Clear Violation:☐ Yes ☐ No

Supervisor Review by:_____ Date Reviewed:_____

Additional Enforcement Recommended: ☐ Yes ☐ No

Director Review

Approved: ☐ Yes ☐No Schedule Special Follow-up Inspection: ☐ Yes ☐ No

Cleared Violation: ☐ Yes ☐ No

Comments:_____

Filings:
For all written responses or any other official correspondence, the Operator shall file the response at the following address:

Ms. Sallie Tanner, Executive Secretary
Georgia Public Service Commission
244 Washington Street, SW
Atlanta, Georgia 30334

The Operator must file **five (5)** copies of any response and/or official correspondence, as well as a CD with an electronic version of the response in Microsoft Word and/or a PDF, if applicable.

Informal Conference:
Any Operator who chooses to request an informal conference shall request such a conference through emailing the Director (michellet@psc.state.ga.us), calling the Director (404-463-2765), or selecting the "Request Conference" choice.

Civil Penalty Payments:
Certified check for the full amount of the recommended civil penalty or consent agreement amount made payable to the Georgia Public Service Commission. The Operator's name, applicable Docket No., and Inspection Report No. must be included on the certified check. Mail payment to:

Ms. Michelle Thebert, Director, Facilities Protection Unit
Georgia Public Service Commission
244 Washington Street
Atlanta, Georgia 30334

Hearing Requests:
The Operator has the right to request a hearing before the full Commission to contest the alleged probable violations, recommended civil penalties, and all other proposed actions of enforcement. A request for a hearing must be submitted in writing and in accordance with Commission Rule 515-2-1-.04. The Operator must include a statement of the issues that you intend to raise at the hearing. The issues may relate to the allegations, new information, proposed compliance order, proposed civil penalty, or any other recommendation for enforcement action. Please refer to Commission Rule 515-9-3-.11 and O.C.G.A. § 46-2-91 for assessment considerations upon which civil penalties are based. An operator's failure to specify an issue may result in a waiver of the right to raise that issue at hearing. The request must also indicate whether or not the Operator will be represented by counsel at the hearing.

Open Records and Trade Secret Filings:
The Operator is advised that any material provided to the Commission, and all materials prepared by the Commission, including the Notice of Probable Violations and any Orders issued in this case, may be considered public information and subject to disclosure under the Georgia Open Records Act (O.C.G.A. § 50-18-70 et seq.). If you believe that any portion of your response material is security sensitive, privileged, confidential or may cause your company competitive disadvantages and would qualify for protection under the Commission's "Trade Secret Rule" (Commission Rule 515-3-1-.11), you must, along with the complete original document clearly marked "TRADE SECRET" on each page, provide a second copy of the document with the portions you believe qualify for trade secret treatment redacted, and an explanation of why you believe the redacted information qualifies for such trade secret treatment. Should the Commission receive a request for disclosure of any "TRADE SECRET" material, you will be notified, if after review, the materials and your provided justification are deemed not to meet any exemptions provided in the Georgia Open Records Act. You may appeal the Commission's decision to release material at that time. Your appeal will stay the release of those materials until a final decision is made.

BEFORE THE GEORGIA PUBLIC SERVICE COMMISSION
STATE OF GEORGIA

IN THE MATTER OF:	)	
	)	
Continuing and Cleared Probable Violation(s)	)	**DOCKET NO. 37049**
with	)	
Proposed Civil Penalty	)	
City of Eatonton Gas System	)	
Inspection AT23-003 on January 10, 2023	)	

CERTIFICATE OF SERVICE

I, the undersigned, do hereby certify that I have caused to be served a copy of the foregoing, and a copy of same was served upon all parties and persons listed below via electronic mail as indicated by an asterisk I further certify that the *City of Eatonton Gas System* was served a hard copy of the above-stated document by U.S. Mail, certified/return receipt requested.

*Sallie Tanner, Executive Secretary
Georgia Public Service Commission
244 Washington Street, SW
Atlanta, GA 30334

*Gary M Sanders, City Administrator
City of Eatonton Gas System
P.O. Box 3820
Eatonton, GA 31024
gsanders@eatontonga.us

*Michelle Thebert, Facilities Protection Unit Director
Georgia Public Service Commission
244 Washington Street, SW
Atlanta, GA 30334

Respectfully Submitted this 9th day of November 2023:

Cathy Nesbitt

Cathy Nesbitt, Administrative Assistant
Georgia Public Service Commission
Facilities Protection Unit
244 Washington Street, SW
Atlanta, GA 30334